

REVENUE DEPARTMENT[701]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 421.14 and 422.68, the Department of Revenue hereby adopts amendments to Chapter 10, “Interest, Penalty, Exceptions to Penalty and Jeopardy Assessments,” Chapter 42, “Adjustments to Computed Tax and Tax Credits,” Chapter 52, “Filing Returns, Payment of Tax, Penalty and Interest, and Tax Credits,” and Chapter 58, “Filing Returns, Payment of Tax, Penalty and Interest, and Tax Credits,” Iowa Administrative Code.

Notice of Intended Action was published in IAB Vol. XXXIV, No. 10, p. 696, on November 16, 2011, as **ARC 9856B**.

Item 1 adds new subrule 10.2(31) to provide the rate of interest on interest-bearing taxes for the calendar year 2012.

Item 2 amends subrule 42.22(1) to provide for changes to the investment tax credit for equity investments in a qualifying business or community-based seed capital fund for investments made on or after January 1, 2011, for Iowa individual income tax.

Item 3 adds new subrule 42.22(4) to provide for the tax credit for investments in an innovation fund for investments made on or after January 1, 2011, for Iowa individual income tax.

Item 4 amends the implementation sentence for rule 701—42.22(15E,422).

Item 5 amends subrule 52.21(1) to provide for changes to the investment tax credit for equity investments in a qualifying business or community-based seed capital fund for investments made on or after January 1, 2011, for Iowa corporation income tax. This change is similar to the change in Item 2.

Item 6 adds new subrule 52.21(4) to provide for the tax credit for investments in an innovation fund for investments made on or after January 1, 2011, for Iowa corporation income tax. This change is similar to the change in Item 3.

Item 7 amends the implementation sentence for rule 701—52.21(15E,422).

Item 8 amends subrule 58.11(1) to provide for changes to the investment tax credit for equity investments in a qualifying business or community-based seed capital fund for investments made on or after January 1, 2011, for Iowa franchise tax. This change is similar to the changes in Items 2 and 5.

Item 9 adds new subrule 58.11(4) to provide for the tax credit for investments in an innovation fund for investments made on or after January 1, 2011, for Iowa franchise tax. This change is similar to the changes in Items 3 and 6.

Item 10 amends the implementation sentence for rule 701—58.11(15E,422).

These amendments are identical to those published under Notice of Intended Action.

After analysis and review of this rule making, no adverse impact on jobs has been found. The tax credits may positively impact job and economic growth for businesses in the state of Iowa.

These amendments are intended to implement Iowa Code sections 15E.42, 15E.43, 422.33 and 422.60 as amended by 2011 Iowa Acts, Senate File 517; 2011 Iowa Acts, Senate File 517, section 40; and Iowa Code section 421.7.

These amendments will become effective February 15, 2012, after filing with the Administrative Rules Coordinator and publication in the Iowa Administrative Bulletin.

EDITOR’S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [amendments to Chs 10, 42, 52, 58] is being omitted. These amendments are identical to those published under Notice as **ARC 9856B**, IAB 11/16/11.

[Filed 12/21/11, effective 2/15/12]

[Published 1/11/12]

[For replacement pages for IAC, see IAC Supplement 1/11/12.]